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FOR IMMEDIATE RELEASE
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September Revenues

Nashville – On an accrual basis September is the second month in the 2004-2005 fiscal year. Department of Revenue tax collections were \$850.8 million

September revenues were \$36.8 million less than the budgeted estimate, Finance and Administration Commissioner Dave Goetz announced today. The general fund had a \$38.1 million undercollection and the four other funds overcollected by \$1.3 million.

Sales tax collections were \$29.6 million less than the estimate in September. For two months revenues are undercollected by \$35 million.

Franchise and excise taxes combined were \$14.9 million less than the estimate of \$217.9 million. For two months revenues are \$6.3 million undercollected.

Gasoline taxes and motor vehicle registrations were \$2.8 million more than the budgeted estimate of \$89 million.

Year-to-date collections for two months are \$42.3 million less than the budgeted estimate. The general fund is undercollected by \$39.9 million and the four other funds are undercollected by \$2.4 million

The budgeted revenue estimates are based upon the State Funding Board's consensus recommendation adopted by the second session of the 103rd General Assembly in May of this year.

<p align="center">REVENUE COLLECTIONS SEPTEMBER, 2004, AND 2 MONTHS YEAR-TO-DATE</p>

September Collections:

	Budgeted Accrual Estimate	Actual	Difference
General Fund	\$758,666,000	\$720,595,000	(\$38,071,000)
Highway Fund	52,008,000	53,768,000	1,760,000
Sinking Fund	20,585,000	20,375,000	(210,000)
City & County Fund	53,805,000	53,704,000	(101,000)
Earmarked Fund	2,573,000	2,368,000	(205,000)
Total	\$887,637,000	\$850,810,000	(\$36,827,000)

Year-To-Date Collections:

	Budgeted Accrual Estimate	Actual	Difference
General Fund	\$1,324,395,000	\$1,284,508,000	(\$39,887,000)
Highway Fund	106,299,000	105,526,000	(773,000)
Sinking Fund	41,121,000	40,867,000	(254,000)
City & County Fund	108,492,000	107,197,000	(1,295,000)
Earmarked Fund	4,798,000	4,724,000	(74,000)
Total	\$1,585,105,000	\$1,542,822,000	(\$42,283,000)

Table 1
Tennessee Department of Revenue
Comparative Statement of Collected Revenues

Class of Tax	September			
	2003	2004	Change	Percent
Franchise & Excise	\$199,607,000	\$203,029,000	\$3,422,000	1.71%
Income	670,000	566,000	-104,000	-15.52%
Inheritance & Estate	6,512,000	8,543,000	2,031,000	31.19%
Gasoline	52,686,000	52,754,000	68,000	0.13%
Petroleum Special	5,284,000	5,538,000	254,000	4.81%
Tobacco	10,348,000	10,203,000	-145,000	-1.40%
Beer	1,559,000	1,671,000	112,000	7.18%
Motor Vehicle Registration	17,884,000	18,128,000	244,000	1.36%
Motor Vehicle Title	1,018,000	986,000	-32,000	-3.14%
Mixed Drink	3,460,000	3,336,000	-124,000	-3.58%
Business	1,706,000	2,505,000	799,000	46.83%
Privilege	19,568,000	19,745,000	177,000	0.90%
Gross Receipts	127,000	303,000	176,000	-138.58%
TVA - In Lieu of Tax Payments	18,430,000	17,789,000	-641,000	-3.48%
Alcoholic Beverage	2,862,000	3,003,000	141,000	4.93%
Sales and Use	483,593,000	487,161,000	3,568,000	0.74%
Motor Vehicle Fuel	11,464,000	15,439,000	3,975,000	34.67%
Severance	83,000	110,000	27,000	32.53%
Coin-operated Amusement	15,000	1,000	-14,000	-93.33%
Total	\$836,876,000	\$850,810,000	\$13,934,000	1.67%

Table 2
Tennessee Department of Revenue
Comparative Statement of Collected Revenues

Class of Tax	August - September			
	2003	2004	Change	Percent
Franchise & Excise	\$209,365,000	\$228,638,000	\$19,273,000	9.21%
Income	1,550,000	1,647,000	97,000	6.26%
Inheritance & Estate	22,319,000	13,257,000	-9,062,000	-40.60%
Gasoline	105,183,000	105,122,000	-61,000	-0.06%
Petroleum Special	10,640,000	10,879,000	239,000	2.25%
Tobacco	21,106,000	20,835,000	-271,000	-1.28%
Beer	3,112,000	3,161,000	49,000	1.57%
Motor Vehicle Registration	34,716,000	35,247,000	531,000	1.53%
Motor Vehicle Title	1,929,000	1,965,000	36,000	1.87%
Mixed Drink	6,594,000	6,703,000	109,000	1.65%
Business	2,760,000	3,562,000	802,000	29.06%
Privilege	39,065,000	39,573,000	508,000	1.30%
Gross Receipts	9,563,000	11,403,000	1,840,000	19.24%
TVA - In Lieu of Tax Payments	34,837,000	34,545,000	-292,000	-0.84%
Alcoholic Beverage	5,511,000	5,738,000	227,000	4.12%
Sales and Use	960,445,000	990,537,000	30,092,000	3.13%
Motor Vehicle Fuel	26,612,000	29,732,000	3,120,000	11.72%
Severance	200,000	245,000	45,000	22.50%
Coin-operated Amusement	75,000	33,000	-42,000	-56.00%
Total	\$1,495,582,000	\$1,542,822,000	\$47,240,000	3.16%

Table 3
August - September Revenue Overcollections/(Undercollections)
Budgeted Estimate

	General Fund	Other Funds	Total
Sales Tax	\$ (33,400,000)	\$ (1,600,000)	\$ (35,000,000)
Income Tax	(100,000)	0	(100,000)
Inheritance Tax	(1,300,000)	0	(1,300,000)
Privilege Tax	1,700,000	(100,000)	1,600,000
Business Tax	400,000	0	400,000
TVA	500,000	300,000	800,000
Gross Receipts	(1,800,000)	0	(1,800,000)
Gasoline & Motor Vehicle Registration	200,000	(1,200,000)	(1,000,000)
Other Taxes	200,000	200,000	400,000
Sub-Total	\$ (33,600,000)	\$ (2,400,000)	\$ (36,000,000)
F & E Taxes	(6,300,000)	0	(6,300,000)
Total	\$ (39,900,000)	\$ (2,400,000)	\$ (42,300,000)